

14. All costs incurred by Packerland due to delay in delivery of the cattle past the specified contract month are the responsibility of the Seller and will be deducted from the proceeds by the Buyer unless otherwise agreed to in writing.
15. All purchases are subject to the final approval of Buyer's credit department. Seller agrees to furnish and keep updated all required credit prior to the contracts being submitted.
16. Definitions - as used herein, the following terms shall have the meaning ascribed:
- a. Live weight - the weight of the live cattle purchased at point of delivery.
 - b. Hot carcass yield percent - a guaranteed carcass yield percentage as designated herein.
 - c. Dressed price - the price computed by dividing the live price per cwt. By the par dressing percentage of hot carcass weight.
 - d. Hot carcass weight - the weight of the hot carcasses after slaughter.
 - e. All select and choice grades are evaluated and confirmed by the USDA.
 - f. Yield grade - identity of carcasses for differences in cutability or yield of boneless, closely trimmed retail cuts from the round, loin, rib and chuck. The yield grades are number 1 through 4.
 - g. Carcass yield - the yield computed by dividing the hot carcass weight by the live weight.
 - h. Unit - a quantity of cattle containing 48,000 lbs.
17. Payment Seller shall be paid within twenty-four hours of final grading. No advance payment is made.
18. Liens Seller warrants that he has good and merchantable title in the cattle sold hereunder and that said cattle are free and clear of all liens and encumbrances of every nature except: (if none, write "none"). If any liens exist at the time of delivery, Seller authorizes Buyer to make settlement jointly with the Seller and such parties in whose favor the liens and encumbrances have attached. Seller must list lienholder(s) below.

NAME AND ADDRESS OF LIENHOLDER

19. Confidentiality. The parties do each hereby represent and warrant to the other that they hold all terms and conditions of this agreement and all attachments in the strictest of confidence and will not divulge any of the terms thereof to any third party without the express written consent of the other party being first obtained, unless required by law. However, disclosure is specifically allowed to a corporate parent, affiliate, subsidiary or investor feeding cattle under this program. IN NO EVENT shall Seller divulge the terms or provisions of this Agreement to any person or organization.

20. This contract contains the entire agreement between the parties and cannot be varied orally and shall be binding on the heirs, successors and assigns of the parties. Contracts must be signed and returned within ten business days after being received.

The undersigned Seller represents and warrants to Buyer that Seller is a Merchant as such term is defined in the Uniform Commercial Code (UCC), with respect in the cattle which are the subject of this contract. SELLER AGREES TO SELL TO BUYER AND BUYER AGREES TO PURCHASE FROM SELLER THE ABOVE DESCRIBED CATTLE IN ACCORDANCE WITH THE PRECEEDING TERMS AND CONDITIONS WHICH TERMS AND CONDITIONS ARE LEGALLY BINDING ON SELLER. Please sign and return.

Accepted Seller By: _____

Date: _____

Accepted Buyer: PPC. By: _____

Date: _____

1st Inspection _____ Date _____ Comments _____
signature

2nd Inspection _____ Date _____ Comments _____
signature

3rd Inspection _____ Date _____ Comments _____
signature

Packerland Packing Co. Representative: _____

Steve Crapp

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